



HAWAII HOTEL & LODGING

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TESTIMONY OF MURRAY TOWILL PRESIDENT HAWAII HOTEL & LODGING ASSOCIATION

November 18, 2008

RE: Bill 8 (2008) Regulation of Certain Visitor Accommodations

Good morning Chairman Tam and members of the Honolulu City Council's Zoning Committee. I am Murray Towill, President of the Hawaii Hotel & Lodging Association.

The Hawaii Hotel & Lodging Association is a statewide association of hotels, condominiums, timeshare companies, management firms, suppliers, and other related firms and individuals. Our membership includes over 170 hotels representing over 47,300 rooms. Our hotel members range from the 2,523 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawaii Hotel & Lodging Association supports the intent of this bill to enhance the city's enforcement capabilities regarding transient vacation units. As we understand it, this measure is in response to complaints about non-permitted units operating in residential areas.

We will focus our testimony on what we believe to be an unintended consequence of the bill. As presently crafted, it appears units in condominium hotels would need to comply with the advertising requirements. As you will hear from other testifiers, this requirement would greatly impact the operations of these units and what advertisements would look like.

We believe there is a straightforward remedy to this unintended consequence. By modifying the definition of transient vacation rental as it appears in Bill 8, we believe this problem can be overcome. We would propose to amend the definition to read as follows:

"Transient vacation unit" means a dwelling unit or lodging unit which is provided [for] with or without compensation to transient occupants for less than 30 consecutive days, other than a bed and breakfast home, a hotel room including a condominium hotel room, or a time share unit. For purposes of this definition, compensation includes, but is not limited to, monetary payment, services or labor of employees. A transient vacation unit includes a unit in fractional ownership which is occupied less than 30 consecutive days during any period when an owner is not present, or any unit occupied for less than 30 consecutive days when the fractional ownership is less than one-twelfth (1/12) share."

The new language we are recommending is highlighted in the paragraph above.

Again, Mahalo for this opportunity to testify.

MISC. COM. 2441